SRKW

SPECTOR ROSEMAN

KODROFF & WILLISE

Direct E-Mail: JKodroff@srkw-law.com

March 9, 2016

VIA ECF

The Hon. Jose L. Linares
United States District Court
District of New Jersey
Martin Luther King Building & U.S. Courthouse
50 Walnut Street
Newark, NJ 07101

RE: In re Liquid Aluminum Sulfate Antitrust Litig., 16-md-2687 (JLL) (JAD)

Dear Judge Linares:

Spector Roseman Kodroff & Willis, P.C. ("SRKW") respectfully submits this application to be appointed as Interim Lead Counsel in the consolidated actions. SRKW has filed complaints on behalf of Detroit Water and Sewerage Department ("Detroit Water") (Civil Action No 2:15-cv-07896) and The City of Cincinnati ("Cincinnati") (Civil Action No. 2:15-cv-08065). Detroit Water's complaint was the second civil complaint on file, but the first to be filed before this Court. SRKW recognized, as the Judicial Panel on Multidistrict Litigation ultimately did, the efficiencies created by having a single Judge oversee both the civil and criminal proceedings. *See* Transfer Order (Doc. No. 1) at 2.

SRKW should be appointed Interim Lead Counsel for at least three reasons. First, SRKW has efficiently and expeditiously served as lead counsel in past significant MDL and other antitrust class actions, in which it coordinated and led the efforts of many of the firms in this proceeding, see, e.g., Ex. 1 (SRKW Resume). In fact, SRKW has been appointed Co-Lead Counsel in this District. See In re Mercedes-Benz Antitrust Litig., Master File No. 99-4311 (D.N.J.) (Judge Walls). Second, SRKW has advanced this litigation by investigating the industry and defendants and retaining an expert who conducted an economic analysis of the industry,² which will benefit plaintiffs and the class. In addition, as a result of our past experience, SRKW has had preliminary discussions with counsel for Defendant GEO Specialty Chemicals about numerous issues related to this complex, antitrust class action.³ Finally, SRKW represents two of the largest Alum purchasers in this litigation, which have collectively purchased over \$30

¹ SRKW also served as local counsel for cases filed by the City of East Moline and the City of Mattoon.

² Some of the results of that analysis can be seen in Detroit Water's and Cincinnati's complaints. See, e.g., Detroit Water and Sewerage Department v. Reichl, et al., Civ. A. No. 2:15-cv-07896-JLL-JAD (Doc. No. 1) at ¶ 27-43.

³ SRKW has litigated against counsel for GEO Specialty Chemicals in *OSB* and other cases, and has a good working and professional relationship with those attorneys.

million of Alum during the class period. As a result, SRKW is the best choice to serve as Interim Lead Counsel and "the applicant best able to represent the interests of the class," pursuant to Federal Rule of Civil Procedure 23(g)(1) and (2).

A. SRKW's Experience and Expertise Support its Appointment

SRKW is a highly regarded and successful law firm with a nationwide practice that focuses on class actions and complex litigation. SRKW attorneys have served as lead or co-lead counsel in numerous major antitrust class actions. *See, e.g.*, Ex. 1. Jeffrey Corrigan, a partner at SRKW, worked for 10 years as a federal prosecutor in the New York office of the U.S. Department of Justice's Antitrust Division before spending the last 15 years with SRKW. This duel experience gives Mr. Corrigan a unique ability to identify and manage the complexities and issues associated with this MDL and the ongoing, related criminal matter.⁴

Mr. Corrigan previously served as Co-Lead Counsel before Judge Walls in *Mercedes*, a complex, multi-defendant, price-fixing case against Mercedes-Benz U.S.A. and its New York area dealers. In that case, SRKW successfully led plaintiffs' efforts in securing more than \$17 million on behalf of the class.⁵ At a May 18, 2009 hearing in *Mercedes*, Judge Walls stated: "I think that this is a fitting resolution... And I think overall you are to be commended." *See also* Ex. 1 (identifying additional examples of SRKW's case leadership and recognition from courts).⁶

Another recent example of the effectiveness of how SRKW and Mr. Corrigan litigate complex cases is the *OSB* litigation, which SRKW investigated and successfully prosecuted without the benefit of any government investigation. SRKW developed and led an efficient organization of over 30 experienced plaintiffs' firms against 9 multibillion-dollar defendants, which were represented by some of the top defense firms in the country. After surviving a post-*Twombly* motion to dismiss, SRKW led the effort to review more than 13 million pages of documents, take more than 70 depositions, successfully brief class certification, fully brief summary judgment and *Daubert* motions and fully prepare the case for trial, all in a little more than two years. The exceptional results obtained for the class, \$120 million in settlements, were acknowledged by Judge Diamond: "Class Counsel have represented their clients with consummate skill and efficiency, bringing this massive matter to conclusion in less than three years. Lead Class Counsel - Jeffrey Corrigan and the other lawyers from Spector Roseman Kodroff & Willis, P.C. - performed brilliantly in this exceptionally difficult case." *In re OSB Antitrust Litig.*, No. 06-CV-00826 (E.D. Pa.) (attached hereto as Ex. 2) at p. 5.

⁴ Mr. Corrigan is admitted in New Jersey and resides in New Jersey.

⁵ The settlement compensated the vast majority of class members at 140% of their damages.

⁶ Most recently, SRKW is serving as Co-Lead Counsel in *In re Domestic Drywall Antitrust Litig.*, MDL No. 2437 (E.D. Pa.), Co-Lead Counsel in *In re Automotive Parts Antitrust Litig.*, MDL No. 2311 (E.D. Mi.), and sole Lead Counsel in *In re Blood Reagents Antitrust Litig.*, MDL No. 2081 (E.D. Pa.).

B. SRKW Advanced the Litigation and Demonstrated its Commitment

SRKW was retained by Detroit Water to investigate a possible antitrust action relating to Alum. In addition to researching the industry and the defendants, SRKW has further demonstrated its commitment to the case and willingness to devote resources to its prosecution by retaining an expert, who conducted an economic investigation and analysis of the Alum industry. Among the allegations supported by that investigation are claims that the Alum market was susceptible to collusion during the class period because it included: (1) a standardized product for which competition was principally on the basis of price; (2) weak demand in a mature market; (3) the lack of available economic substitutes; and (4) high barriers to entry. *See supra* at n. 2. Consequently, these efforts will benefit the plaintiffs and the class throughout this litigation.

C. Detroit Water and Cincinnati are Significant Purchasers of Alum

The Detroit Wastewater Treatment Plant is the largest single-site wastewater treatment facility in the U.S. The treatment plant provides primary treatment for the wastewater generated by as many as 4 million people. Detroit Water has five water treatment plants and supplies high-quality drinking water to approximately 40 percent of Michigan's population. During the class period, Detroit Water purchased over \$23 million worth of Alum. Cincinnati is an Ohio Municipal Corporation which owns and operates Greater Cincinnati Water Works, which supplies more than 48 billion gallons of water a year to over 235,000 residential and commercial accounts. During the class period, Cincinnati purchased over \$10 million worth of Alum.

Serving large metropolitan communities, Detroit Water and Cincinnati are among the largest, if not the largest, Alum purchasers in this case. Thus, they have a more substantial stake in the outcome of this litigation than most, if not all, of the other plaintiffs. In addition, both are sophisticated entities capable of effectively representing the interests of the class. As a result, Detroit Water's and Cincinnati's selection of counsel should be accorded additional consideration. *See, e.g., Manual for Complex Litigation* (Fourth) § 14.211 (courts may allow the most adequate plaintiff to select counsel). Detroit Water and Cincinnati have selected SRKW to represent them, an additional factor that counsels in favor of its appointment as Interim Lead Counsel.

CONCLUSION

For the foregoing reasons, SRKW respectfully requests that the Court appoint it as Interim Lead Counsel for the plaintiffs.⁸

⁷ An attorney from SRKW also attended the recent arraignments of Messrs. Opalewski and Steppig.

⁸ SRKW believes that Jim Cecchi of Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C. would also be an excellent choice for the role of Liaison and/or Co-Lead Counsel. SRKW is currently working closely with Mr. Cecchi and his firm in *In re Effexor XR Antitrust Litig.*, Civil Action No. 11-5590 (D.N.J.) (Sheridan J.). Moreover, should the Court find that appointing more than one firm as Interim Co-Lead Counsel is appropriate, SRKW respectfully submits that it has and will be able to work with any other firm the Court wishes to appoint.

Respectfully,

Jeffrey L. Kodroff Jeffrey J. Corrigan William G. Caldes Jeffrey L. Spector

SPECTOR ROSEMAN KODROFF & WILLIS, P.C.

1818 Market Street, Suite 2500 Philadelphia, PA 19103

Tel: 215.496.0300 Fax: 215.496.6611 jkodroff@srkw-law.com jcorrigan@srkw-law.com bcaldes@srkw-law.com jspector@srkw-law.com

Attorneys for Detroit Water and Cincinnati and the proposed class